

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

IN RE: MARK F. WHITE and
NNIKA E. WHITE,

Case No. 14-36232-KRH
Chapter 13

Debtors.

ORDER TO SHOW CAUSE

On November 19, 2014 (the “Petition Date”), the Debtors, Mark F. White and Nnika E. White, by and through counsel, Nisha Patel, filed a voluntary petition under Chapter 13 of the Bankruptcy Code. On December 11, 2014, the Debtors filed their initial Chapter 13 plan. The confirmation hearing was scheduled for January 21, 2015. On January 14, 2015, the Chapter 13 Trustee, Suzanne E. Wade (the “Chapter 13 Trustee”), filed an Objection to Confirmation of Chapter 13 Plan (the “First Objection”) alleging that the Debtors’ Plan was not filed in good faith because the Debtors had failed to provide their personal and business income tax returns for the three years preceding the Petition Date as requested by the Chapter 13 Trustee at the Debtors’ section 341 meeting of creditors on December 18, 2014. The January 21, 2015 confirmation hearing and the hearing on the Chapter 13 Trustee’s First Objection were continued by agreement to February 18, 2015. The February 18, 2015 hearings were further continued to March 18, 2015.

On March 18, 2015, the First Objection was sustained by agreement, and the Court entered an order denying confirmation of the Debtors’ Plan. On April 7, 2015, the Debtors filed a Second Amended Chapter 13 Plan. On May 6, 2015, Nationstar Mortgage, LLC, servicer for U.S. Bank National Association, filed an Objection to the Debtors’ Second Amended Chapter 13 Plan (the “Nationstar Objection”). On the same day, the Office of the United States Trustee (the “U.S. Trustee”) filed a Limited Objection to Confirmation of Chapter 13 Plan, alleging concerns

with the accuracy of the disclosures in the Debtors' schedules (the "U.S. Trustee Objection" and together with the Nationstar Objection, the "Second Objections"). The Second Objections were rendered moot when the Debtors filed a Third Amended Chapter 13 Plan on June 9, 2015 (the "Third Amended Plan").

On June 15, 2015, Debtor Nnika E. White filed a motion in her capacity as legal counsel requesting leave to substitute herself as attorney of record for the Debtors. On July 8, 2015, the Court entered an order substituting Nnika E. White as counsel for the Debtors and authorizing Nisha Patel to withdraw from the case.

On July 15, 2015, the U.S. Trustee filed an objection to confirmation of the Debtors' Third Amended Plan (the "Third Objection"). A hearing on the Third Objection was set for July 22, 2015 and later continued to September 2, 2015. At the hearing conducted on September 2, 2015, Nnika E. White, who was now representing the Debtors, requested the Court for a further adjournment of the hearing to October 14, 2015. The U.S. Trustee explained to the Court that it agreed to the requested continuance only because it was investigating the circumstances surrounding a substantial post-petition payment that had recently been made from the operating account of the law firm of Nnika E. White to one of Nnika E. White's clients. The Court noted the very serious nature of the investigation into any such payment and recounted that the serious nature would be compounded by the involvement of Nnika E. White's bankruptcy estate. The Court advised the parties that due to its concerns with the allegations raised by the U.S. Trustee and with the inordinate delay that had already occurred in this bankruptcy case, the Court would not permit any further adjournments and would conduct the hearing on October 14, 2015.

On October 13, 2015, the Debtors filed a Fourth Amended Chapter 13 Plan (the "Fourth Amended Plan"). The Fourth Amended Plan purports to have been filed by Nisha Patel, who is

no longer involved in this case. The electronic signature of Nisha Patel appears throughout the Fourth Amended Plan.

Neither the Debtors nor Nnika E. White in her capacity as counsel appeared at the scheduled October 14, 2015 hearing (the “October Hearing”). The U.S. Trustee did appear at the October Hearing, had a witness present, and was prepared to proceed. The U.S. Trustee advised the Court that the Debtors’ Fourth Amended Plan was almost identical to the Third Amended Plan, and that Nisha Patel was entirely uninvolved in the filing of the Fourth Amended Plan. It appears to the Court that the Forth Amended Plan may have been filed in a failed attempt to render moot the Third Objection and obviate the need for the October Hearing.

Nisha Patel testified at the October Hearing that she did not file, sign, or authorize anyone else to sign on her behalf the Fourth Amended Plan. It appears to the Court that Nisha Patel did not endorse the Fourth Amended Plan, and that her electronic signatures affixed to the Fourth Amended Plan are forgeries. The Fourth Amended Plan was filed electronically through the court’s electronic filing case management system (“CM/ECF”) by an account registered to Nnika E. White. The U.S. Trustee expressed discomfort with proceeding further with the October Hearing in the absence of the Debtors or Nnika E. White.

In consideration whereof, it is

ORDERED that Nnika E. White, in her capacity as counsel, shall appear before the Court on **Wednesday, November 4, 2015, at 3:00 p.m.**, in Courtroom No. 5000, U.S. Courthouse, 701 East Broad Street, Richmond, VA 23219, and show cause why she should not be sanctioned for conducting a bankruptcy case in bad faith, for failing to appear at the October Hearing, for violating Federal Rule of Bankruptcy Procedure 5005(a), Local Bankruptcy Rule

5005-1, and the Court's CM/ECF policy, for violating 11 U.S.C. § 526, and for violating Federal Rule of Bankruptcy Procedure 9011; and it is further

ORDERED that the portion of the October Hearing pertaining to the circumstances surrounding the alleged post-petition payment from the operating account of the law firm of Nnika E. White is hereby rescheduled for **Wednesday, November 4, 2015, at 3:00 p.m.** in Courtroom No. 5000, U.S. Courthouse, 701 East Broad Street, Richmond, VA 23219.

ENTERED: Oct 20 2015.

/s/ Kevin R. Huennekens
UNITED STATES BANKRUPTCY JUDGE

Entered on Docket: Oct 20 2015

Copies to:

Mark F. White
4600 Jennway Loop
Moseley, VA 23120

Nnika E White
4600 Jennway Loop
Moseley, VA 23120

Nnika E. White
Law Office of White & Associates
9101 Midlothian Turnpike
Suite 800
Richmond, VA 23235

Suzanne E. Wade
P.O. Box 1780
Richmond, VA 23218-1780

Shannon Pecoraro
Office of the U.S. Trustee
701 East Broad Street, Suite 4304
Richmond, VA 23219